CLASSIFICATION CONFIDENTIAL SECURITY INFORMATION
CENTRAL INTELLIGENCE AGENCY REPORT INFORMATION FROM FOREIGN DOCUMENTS OR RADIO BROADCASTS CD NO. COUNTRY Hungary DATE OF INFORMATION Geographic - Weather conditions Economic - Agriculture, crops Political - Internal **SUBJECT** HOW DATE DIST. 10 **PUBLISHED** Daily newspapers; semimonthly periodical WHERE PUBLISHED Budapest NO. OF PAGES DATE **PUBLISHED** 24 May - 8 Sep 1952 SUPPLEMENT TO LANGUAGE Hungarian REPORT NO.

.

THIS IS UNEVALUATED INFORMATION

1952

Feb 1953

50X1-HUM

SOURCE

Newspapers and periodical as indicated.

INFORMATION ON 1952 CROP CONDITIONS IN HUNGARY, GOVERNMENT EMERGENCY ACTIONS, DRIVES AGAINST KULAKS AND CHURCH

Comment: A survey of the Budapest daily and periodical press and government decrees for the period 24 May - 8 September 1952 indicates that this year's corn, putato, and fodder crops were short as a result of unfavorable weather conditions. The bread grains, on the other hand, appear to have suffered only slightly.

A drive was conducted by the daily press against the kulaks and, to a lesser extent, against individual priests throughout the summer, based on such charges as sabotaging agricultural work and hoarding. It was accompanied by attacks against numerous local councils for inefficiency in dealing with the kulaks. These drives appear to have been aimed at providing scapegoats in the event of a general crop failure.

Some of the regulations issued by the government were of an emergency nature, designed to counteract penic among the population. A statement of Minister of Produce Collection Inre Nagy, as well as editorials and articles appearing in the daily press, admitted that corn, potatoes, and other root and fodder crops had been seriously damaged by the weather, but emphatically denied rumors that rationing would be reintroduced.

The following report presents information from press and periodical reports on weather and crop conditions, the drives against kulaks and the church, criticism of government and party organs, and emergency actions and panicky buying.

Numbers in parentheses refer to appended sources.

-1-

				_CLAS	SSIFICAT	ION	CONFIDENTIAL			
٠	STATE	_\X	NAVY	$-\mathbf{x}$	NSRB	$\top \top$	DISTRIBUTION			
	ARMY	X	AIR		FB!			 		4
				•				 	- 	

50X1-HUM

Weather and Crop Conditions

The unusually mild winter of 1951 - 1952, according to periodical reports, was followed by three cold waves during March and early April and an unexpected and severe cold wave in mid-May.(1)

On 24 May, a joint communique by the Ministry of Agriculture and the Ministry of State Farms and Forests, published in Nepszava, announced that cold weather in May had caused damage to some crops in some regions of the country. The following crops were listed as damaged: corn, cotton, potatoes, tobacco, sunflower, beans, soybeans, castor beans, tomatoes, paprika, cucumbers, grapes, melons, and other fruits. New seed was to be provided free of charge, according to communique, to state farms and producers' cooperatives, as well as to independent pensants who had contracted for the delivery of their crops. Instructions about rehoeing and replanting were given for each crop.

The specific areas affected and the extent of the damage were not stated, but it may be noted that corn headed the list of damaged crops. Bread grains were not mentioned.(2)

Warm weather and moderate rainfall in June helped the ripening of bread grains, according to a <u>Magyar Mezogazdasag</u> report, but in most parts of the country the root crops and fodder plants did not receive the necessary amount of precipitation.(3)

The unusually dry and hot July weather was characterized by Magyar Mezogazdasag as beneficial for harvesting and threshing operations; however, the still developing fall crops lacked precipitation.

The same issue of this agricultural periodical recommended hilling the corn during the summer months to assure larger crop yields. It stated: "The May frosts damaged the corn in many places, and therefore supplementary seeding or reseeding had to be performed. Thus, the planting time of corn was prolonged in many regions. Where the frost caused partial destruction, the low temperatures retarded the growth of the young plants. It is apparent from these facts that the ripening of corn may be delayed this year. In addition, the present hot and dry weather endangers the whole corn crop. It is therefore recommended that the corn be hilled now, so that the plants get more moisture and their ripening time be shortened. Experiments have proved that application of this workers."(4)

Toward mid-July, Budapest daily papers began to take note of the situation. Comments about the rains of 16 July mentioned that the damage wrought by the May frost had been repaired and that the rain was beneficial for the developing potato crop; another article noted that the rains of 23, 24, and 25 July had occurred after a dry spell and would be especially beneficial to the development of root crops and secondary crops. (5)

The drought and heat continued into August. In comparison with the average rainfall during the first half of August, most regions of Hungary received less than half their usual precipitation and all plants, according to Magyar Mezogaz-dasag, needed heavy rainfall.(6)

Nationwide rains occurred on 17 and 18 August. The major Budapest papers Szabad Nep, Nepszava, and Magyar Nemzet, carried lengthy articles about these rains on the 19th. Nepszava stated in a front-page article: "This rain had a very good effect on those crops which have not yet ripened. It greatly aided the growth of corn and sunflower kernels and the development of potatoer, sugar beet, turnip, and cotton. Rapid growth of the secondary crops, which supply

- 2 -

CONFIDENTIAL

fodder for the livestock, is also expected as a result of the rainfall. Immediate hoeing of these crops is of the utmost importance so that further precipitation can sink into the ground. The favorable weather conditions permit good preparation of the ground for the planting of the summer and fall fodder crops."(7)

Water consumption in Budapest during the heat wave was reported by Esti Budapest to be 40,000 cubic meters greater than the maximum consumption during the 1950 heat wave, and 195,000 cubic meters above the 1952 average.(8)

From mid-August through the end of September abundant rains were reported throughout the country.(9)

Drive Against the Kulaks

The drive against the kulaks started in June and seemed to gain momentum as the drought continued. This campaign may possibly be considered as the first public indication of the government's realization of poor crop prospects.

The line of attack varied according to the agricultural operations in progress at the time. During June, kulaks were accused in press articles of letting their land lie fallow, of not delivering their quotas of livestock, of black market slaughtering, and of not repairing their agricultural machinery in preparation for the harvest.

In July, newspaper attacks on kulaks centered around charges of sabotage, which manifested itself in refusal to begin harvesting, in failing to deliver the harvested crops, in feeding newly harvested grain to the animals, in maintaining unsanitary storage places for the crops, and in hindering the threshing and secondary-crop planting operations of the working peasants by word or deed. 10

In August and early September, the number and length of the articles increased, the language became more virulent, and the kulaks were accused of spreading damaging rumors. A long article in Szabad Nep, entitled "The Kulaks, people and of the Village," called them "the most accursed enemy of the working peasant" and warned that the kulaks would attempt, by working people's regime.(11)

Szabad Nep editorial of 16 August stated that during the all-important harvesting operations the enemy had hoped to dishearten the working peasants with his propaganda campaign.(12) In one village, according to Magyar Nemzet, grain eliveries lagged occause a kulak woman and her accomplice pread the rumor that the drought had taken everything; but after the local council put a stop to the rumors, deliveries began to pick up.(13) Szabad Nep mentioned that kulaks frequently urged the working peasants to delay their grain deliveries because the government might pass a decree abolishing compulsory deliveries.(14)

Convictions of kulaks for various crimes were numerous. They were convicted for delaying delivery of their grain, poultry, or livestock obligations (15); for sabotaging threshing by failing to repair their threshing machines (16); for attempting to contaminate the new grain by mixing it with last year's weeviled grain (17); and for feeding newly harvested grain to the livestock. (18) The sentences usually consisted of a term in prison, a heavy fine, and confiscation of some property. Convictions for hoarding grain, flour, and other foodstuffs and consumers' goods were frequent. (19)

Criticism of Government and Party Organs

Criticism of local councils and party organizations was sharp and direct, but did not reach major proportions until August.

- 3 -

CONFIDENTIAL



In July, the councils and party organizations were accused in press articles of laxness against offenders, losing touch with the actual problems of the working peasant by paying too much attention to red tape, and, in some cases, collaboration with the kulaks.(10)

The same line was continued . August on a larger scale. In a speech de-The same line was continued. August on a larger scale. In a speece delivered at a meeting of megye (county) presidents, Minister of Produce Collection Imre Nagy declared: "The enemies of the people tried at the very beginning that in many places the councils did not meet these rumors?". It must be said that in many places the councils did not meet these rumors vigorously; in fact, that in many places the councils and not meet these rumors vigorously; in lact, sometimes the councils even believed them,"(20) An article in Szabad Nep stated that many communities had already fulfilled up to 95 percent of their obligations toward the state, but then suddenly started to lag behind. One of the main reasons given for the letdown was the easing of discipline on the part of the councils, which did not enforce the law as rigidly as they had a week earlier and did not punish laggards severely. Pal Safranyik, of Sari in Pest Megye, complained in a letter to the paper that the council of his village was not severe enough with those who lagged behind in fulfilling their delivery obligations. (21) The council of Nagvatad Jaras (county district) in Somogy Megye was accused in another Szabad Nep article of adopting the same attitude as the enemy regarding the grain collection: "If all goes well, rine; bit if things do not to well, it is all right, too, since weather conditions here were bad."(22) Both the machine stations and the megye council's collection division in Fejer Megye were scored in Nepszava for not taking action against the rumors spread by the Fulaks to the effect that the crop was poor and that therefore the quotas could not be met. (23) The former president of a village council was convicted for issuing too many slaughtering licenses and for being to Lenjant with the kulaks, another Nepszavo

In addition to criticism of local government units, criticism of higher authorities was also voiced. An article in Szabad Nep stated: "For some time now, deliveries by the producers' cooperatives have been carelessly controlled in numerous places. Even more dangerous is the belief held not only by some local council presidents, but also by the agricultural division chiefs of several megye councils that 'the lagging of the producers' cooperatives must be judged more leniently' /than that of the independent peasants /. And the responsible division of the Ministry of Agriculture did not start a severe campaign egainst this completely erroneous belief."(12) In another instance, also reported by Szabad Nep, the machine station division of the Ministry of Agriculture was scored for not removing Jozsef Maki, the manager of the budly managed Mezobereny machine station, from his post. Maki was said to be a former member of the shock troops of the Social Democratic Party. (25)

Drive Against the Church

The Catholic Church was frequently accused in the daily newspapers of trying to keep the peasants from fulfilling their delivery obligations. Magyar Nemzet reported that priests were accused of collecting and hoarding the tithe (26), of agitating against the fulfillment of delivery obligations, and of conducting religious services at night, preventing the people from getting enough rest. (27) According to Mepszava, the priest Elek Orban, in Ilk village Szabolcs-Szatmar Megye, told his congregation that delivery of the tithe came first, that then the grain for personal use should be set aside, and that obligations to the state should be fulfilled only if some grain remained.(28)

In regard to other church groups, Magyar Nemzet reported that the people of Ujfeherto, Szabolcs-Szatmar Megye, who belong to the Raptist sect, delivered the tithe to their minister and listened to the Voice of America. In Nagyecseg, the paper stated, "kulaks of the Mazarene sect, who listen to the Voice of America

50X1-HUM



- 4 -CONFIDENTIAL.

and agitate against the collection, have infiltrated the regular religious services."(29) These seem to be the only instances during the period covered by cultural situation.

Emergency Actions and Panicky Buying

On 17 August, the following announcement appeared in the three leading Budapest newspapers. "Taking into consideration the earlier ripening of corn and advanced the termination late for free-market rights of these products from 1 Sepual villages, jarasok, and megyek have been fulfilled, free-market rights will be returned to them." (30)

It would appear that advancing the date from 1 September to 17 August was an emergency measure to put corn and potatoes under state control before supplies disappeared. If part of the corn and potatoe crop was ruined, the producers would probably attempt to sell whatever was left before 1 September, which might then leave an insufficient amount for fulfillment of the delivery obligations.

When the agricultural free market is suspended, the products pass under state control, which is lifted only after the village, jaras, or megye has fulducers' cooperative is then permitted to sell the surplus produce or livestock.

On 31 August, the Ministry of Interior announced that as of 1 September, edible-paste products by 18-30 percent.(31)

These price reductions might conceivably have been an emergency measure designed to counteract the buyers' panic on the preceding days. The following article, which appeared in Szabad Nep on 3 September under the title "Panic Buyers" affords some insight into the extent of the panic which prevailed in Budapest:

"At the end of last week, the department and food stores had unusual and strange customers. The stores were stormed by those who had heard from a 'reraised, or that a turing the night from Saturday to Sunday prices would be who knows what else, and that the government would make a formal announcement over the radio on Saturday night. It is possible that the great heat had somewhatever they could lay their hands on. For example, in one of the department stores on Saturday afternoon the salesclerk told the prospective buyer that a his shoulders and departed with his motorcycle. In another store it was impospartment Store on Saturday, a panicky person bought a kettle. By Sunday, he had since the stores on Saturday, a panicky person bought a kettle. By Sunday, he had since coat. Several persons succeeded in purchasing the whole stock of bakery much cheaper.

"The authors of these rumors had hoped that they could cause discontent among the workers and create disturbances in the distribution of food supplies. The speculators, who became 'unemployed' after the resolution of 1 December 1951 stockpiles. There was even one who bought several kilograms of lard wrapped in in the street.

-5-

CONFIDENTIAL



"On Tuesday, the Budapest courts put a stop to the damaging work of several speculators for quite a few years. Those who jammed the stores on Friday and Saturday, together with former countesses. Horthyite army officers, and kulaks, now realize what disgraceful company they joined.

"The enemy's attempts to create disturbances left an impression only on the wallets of those who had believed the rumors; our food distribution policy is built on too strong a basis to be disrupted by such ridiculous attempts. However, this incident should enhance the workers' vigilance in fighting an enemy who is ever ready to spread rumors and to sabotage." (32)

"Subsequently, on 8 September, <u>Szabad Nep</u> Published the following article by Minister of Produce Collection Imre Nagy, entitled "On the Free Grain Market." The article denied rumors that rationing in bread grains would be reintroduced and announced a reduction in surrender obligations in corn, potatoes, and sunflowers.

"The resolution issued 1 December 1951 by the party and the government has brought a change in our country's economic policy and has marked a new way. Its main significance lies in the fact that, by terminating rationing and the restrictions on the sale of agriculture produce, the last remnants of the war economy were removed, and new economic conditions in the exchange of goods between city and village, as well as in the relationship between the working class and the peasantry, were created.

'The provisions of that resolution underlie the measures which regulate, in the field of produce collection, the delivery obligations and the rights of the producer. The resolution states that the free market for produce will be suspended temporarily from 30 June 1952 until the completion of the delivery obligations. Our government was acting in the spirit of this resolution when, because the teginning of grain collection on 1 July, it again suspended the free market for grain.

"It was evident that such far-reaching measures as the resolution of 1 December 1951 and its practical application would arcuse violent resentment in both the internal and the external enemy. This has happened. With a lot of monsensical talk, the enemy has attempted to misinterpret the far-reaching measures of our perty and government, such as the termination of rationing and the creation of the free market for agricultural produce, and to shake the workers' confidence in them.

"The government's firm economic policy and the protection of the working people's interests proved the enemy's predictions false. Since 1 December 1951, the enemy has predicted, at least ten times, the reintroduction of rationing. Naturally, the government has not brought back rationing, no matter how widely the enemy has spread the rumor of its return. The most the rumor mongers have achieved by spreading these terrible predictions is that those who believed them and spent their money unnecessarily now curse them to deepest hell.

"During the past 7 months, they have tried several times to shake the workers' confidence in the government's economic policy by spreading tales about price increases. The latest attempt was made very recently, toward 1 September. And what happened actually: Prices were reduced. Those who let themselves be fooled have paid the price of their gullibility. Our working people learned from its own experiences that our party and government are able to direct their economic policy according to the great principles of socialist construction.



"The last remnants of the war economy, rationing and the restriction of the free market for agricultural produce, had to be terminated not just because they do not fit into a peace economy, but mainly because they disagree with the first principle of socialist economy, that every worker participates in the distribution of goods according to the amount of work he has performed. Rationing, aside from limiting the workers' consumption, also put the peasants at a disadvantage, because they could not realize their just income. Restriction of the free market production of industrial goods and restrained the development of the economy.

"Socialist construction demands an increasing exchange of goods between town and village and the widening of the internal market; this, on the other hand, requires the completion of delivery obligations to the state. The resolution of Becember 1951 provided a temporary restriction of the free market in grain beginning 1 July 1952. The government put this provision in effect on 1 July so that, depending on the results of the collection, the free market might again be reinstated.

"Less then 3 weeks after the introduction of this government restriction, numerous villages which had completed their collection obligations again received free-market privileges. They were followed in short order by those jarasok which had fulfilled their grain-collection obligations. Less then 2 months after the introduction of this temporary restriction, all 19 megyek had again received free-market rights on the basis of the good results achieved in grain collection.

"When the government on 1 July temporarily restricted the free market in grain, the enemy predicted that this was the end of the free grain market. But that do these rumor mongers say to the fact which confronts them now, that less than 2 months after the temporary restrictions the whole country again enjoys free grain market rights? It is a disgraceful failure of enemy sabotage, a shameful defeat of their reactionary rulers, and a great victory for the consistent economic policy of the party and the government.

"By now, all working pensants realize that the temporary restriction of the free market in agricultural produce serves the pensants' individual rights as well as the national interest. The faster the grain-delivery quotas are completed, the sooner will the pensants again receive free market for grain, as well as other advantages such as unrestricted milling. This happened on 7 September, when grain restrictions were terminated in every megye.

"Despite this year's shorter grain crop, our peasants have fulfilled their obligations toward the state faster than in 1951. In the spirit of its previous decree, and keeping faith with its promise, our government has shown to the world, by ending the restrictions on the grain market, that it keeps its word given to

"The temporary restriction of the grain market serves two purposes: it assures the state of quick fulfillment of grain-delivery obligations, and it enables the producers to sell their surplus on the free market as soon as possible. The quick and complete fulfillment of the obligations is not only in the interest of the state, but also in the peasants' interest.

"The temporary restriction of the free market rights for corn, potatoes, sunflowers, and wine, which was also included in the 1 December 1951 resolution and went into effect at the end of August, serves the same purposes as the restriction of the grain market. The common interest of the state and the peasantry demands that every producer fulfill his delivery obligations in these products as quickly as possible and that those who want to default on their obligations — there are such people—be urged to fulfill their duties as citizens. This is a petriotic duty of the working peasants as well as of the local councils and collection organs.

- 7 -

CONFIDENTIAL



"If the pensants fulfill their fall produce-delivery obligations and the collection plan for the root crops is met by 7 November, the 35th anniversary of the great October socialist revolution, the restrictions will be lifted. It is therefore obvious that the lifting of the restrictions depends on the peas-

"Owing to unfavorable weather conditions, this year's grain crop was shorter than had been expected. It is obvious that the delivery obligations from this smaller crop were harder to fulfill. Being fully aware of this fact, the party and government took note of the crop failure due to the drought and the unfavorable weather conditions, and are aiding the working peasants by extending far-

"Taking into consideration the damage caused by the drought, the government has, in certain parts of the country, reduced the delivery obligations for corn, potatoes, and sunflowers. By this reduction the government wishes to serve the interest of livestock breeders and the development of the country is livestock reserves, thereby strengthening the economic position of the cooperatives and

"By reducing the delivery obligations, the government aids those peasants who need help -- something they would never have received under the old reactionary capitalist economy. Previously, drought decimated the working peasantry, and tens of thousands were ruined and became beggars. In our people's democracy, where all power belongs to the working people, the peasants find far-reaching support and are not at the mercy of the destructive results of bad weather con-

"Our independent peasants and our cooperatives can have only one answer to the understanding measures and far-reaching help of the government: prompt and full completion of the reduced delivery obligations in corn, potatoes, and sun flowers. Severity regarding the fulfillment of the citizens' duties, understanding and followers in helping the poedry, these are the fact bases of our reviews. ing and fairness in helping the needy: these are the just bases of our government's policy of assistance. Every regulation of our government which demands the unquestioning fulfillment of patriotic duties is just. But justice is also served when the government helps those who are in need. The tremendous power of justice makes short shrift of the enemy's lying rumors. By establishing the free market in grain and reducing the delivery obligations in fall root crops the party and the government have dealt the enemy a tremendous blow."(33)

SOURCES

1. 00-W-24217

Γ

- 2. Nepszeva, 24 May 52
- 3. Magyar Mezogazdasag, Vol VII, No 13-14, 1 Jul 52
- Ibid., Vol VII, No 15, 1 Aug 52
- 00-W-24102
- 6. Magyar Mezogazdasag, 16 Aug 52, Vol VII, No 16
- 7. Nepszava, 19 Aug 52
- Esti Budapest, 19 Aug 52
- 9. 00-W-25038

-8-

CONFIDENTIAL



10. 00-W-23976

Γ

- 11. Szabad Nep, 4 Sep 52
- 12. Ibid., 16 Aug 52
- 13. Magyar Nemzet, 3 Aug 52
- 14. Szabad Nep, 28 Aug 52
- 15. Szabad Nep, 5 and 10 Aug 1952; Magyar Nemzet, 1 Aug 52
- 16. Szabad Nep, 31 Jul 52
- 17. Ibid., 30 Jul and 10 Aug 52
- 18. Ibid., 5 and 6 Aug 52
- 19. Szabad Nep, 10, 15, and 23 Aug 52; Magyar Nemzet, 6 Aug 52; Nepszava,
- 20. Szabad Nep, 6 Aug 52
- 21. Ibid., 10 Aug 52
- 22. Ibid., 1 Aug 52
- 23. Nepszava, 16 Aug 52
- 24. Ibid., 23 Aug 52
- 25. Szabad Nep, 27 Aug 52
- 26. Magyar Nemzet, 17 Aug and 3 Sep 52
- 27. Tbid., 9 Aug 52
- 28. Nepszava, 17 Aug 52
- 29. Magyar Nemzet, 3 Sep 52
- 30. Szabad Nep; 17 Aug 52; Magyar Nemzet, 17 Aug 52; Nepszava, 17 Aug 52
- 31. Tbid., 31 Aug 52.
- 32. Ibid., 3 Sep 52
- 33. Tbid., 8 Sep 52

-END -

-9-

CONFIDENTIAL

